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Addendum StartPage: 0

**SOAH DOCKET NO. 473-19-6862
PUC DOCKET NO. 49737**

2020-03-01 10:20

APPLICATION OF SOUTHWESTERN	§	
ELECTRIC POWER COMPANY FOR	§	BEFORE THE STATE OFFICE
CERTIFICATE OF CONVENIENCE	§	
AND NECESSITY AUTHORIZATION	§	OF
AND RELATED RELIEF FOR THE	§	
ACQUISITION OF WIND	§	ADMINISTRATIVE HEARINGS
GENERATION FACILITIES	§	

**OFFICE OF PUBLIC UTILITY COUNSEL'S
SECOND REQUEST FOR INFORMATION TO
SOUTHWESTERN ELECTRIC POWER COMPANY**

Pursuant to 16 Texas Administrative Code ("TAC") § 22.144, the Office of Public Utility Counsel ("OPUC") submits this Second Request for Information to Southwestern Electric Power Company ("SWEPCO"). OPUC requests that SWEPCO provide answers to the request for information under oath as required by 16 TAC § 22.144(c)(2)(F). OPUC further requests that SWEPCO provide an answer to the questions and sub-questions in the order listed below with sufficient detailed information to provide a complete and accurate answer to each question and sub-question.

Definitions

1. "SWEPCO," the "Company," "Applicant," "You," and "Your" refer to Southwestern Electric Power Company and its affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
2. "Document" and "documents" include any written, recorded, filmed, or graphic matter, whether produced, reproduced, or on paper, cards, tape, film, electronic facsimile, computer storage device, or any other media, including, but not limited to, electronic mail (e-mail), memoranda, notes, analyses, minutes, records, photographs, correspondence, telegrams, diaries, bookkeeping entries, financial statements, tax returns, checks, check stubs, reports, studies, charts, graphs, statements, notebooks, handwritten notes, applications, contracts, agreements, books, pamphlets, periodicals, appointment calendars,

records and recordings of oral conversations, work papers, observations, commercial practice manuals, reports, summaries of interviews, reports of consultants, appraisals, forecasts, tape recordings, or any form of recording that is capable of being transcribed into written form.

Instructions

1. The Definitions, Instructions, and Claim of Privilege sections set forth in this request for information apply to these questions.
2. In providing an answer to each question, please furnish all of the information that is in your possession, custody, or control, as defined by Texas Rules of Civil Procedure (Tex. R. Civ. Proc.) 192.7(b), including information in the possession, custody, or control of your affiliates, subsidiaries, and any person acting or purporting to act on their behalf, including without limitation, attorneys, agents, advisors, investigators, representatives, employees, or other persons.
3. Please answer each question based upon your knowledge, information, or belief, and state whether each answer is based upon your knowledge, information, or belief.
4. If you have possession, custody, or control, as defined by Tex. R. Civ. Proc. 192.7(b), of an original requested document, please produce the original requested document or a complete copy of the original requested document and all copies that are different in any way from the original requested document, whether by interlineation, receipt stamp, or notation.
5. If you do not have possession, custody, or control of an original requested document, please produce copies of the document, however made, in your possession, custody, or control. If any requested document is not in your possession, custody, or control, please explain why the document is not in your possession, custody, or control and provide the current location and custodian of the requested document or any copy, summary, or other form of the requested document thereof.
6. If there is any confusion about a question, please contact the undersigned counsel for clarification.
7. In providing your response to a question, please start each response on a separate page and type, at the top of the page, the question that is being answered by the response.

8. As part of the response to each question, please state, at the bottom of the answer to the question, the name and job position of each person(s) who participated in any way, other than by providing clerical assistance, in the preparation of the answer to the question. If the question has sub-parts, please identify each person(s) by name and job position that participated in any way, other than by providing clerical assistance, in the preparation of the answer for each sub-part of the question.
9. Please state the name of the witness in this docket who will sponsor the answer to the question and/or sub-part of the question and who will swear to the truthfulness of the answer to the question and/or sub-part of the question.
10. Please provide individual responses to questions as each response becomes available, rather than waiting to provide all of the responses to the questions at the same time.
11. These questions are continuing in nature. If there is a change in circumstances or facts or if you receive or generate additional information that changes your answer to a question between the time of your original response and the time of the hearing, then you should submit, under oath, a supplemental response to your earlier answer to the question.
12. If you consider any question to be unduly burdensome, or if the response would require the production of a voluminous amount of material, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue. Furthermore, if you object to any question on the grounds that the question seeks confidential information, or on any other grounds, please contact the undersigned counsel, as soon as possible, to discuss the situation and try to resolve the issue.
13. If the response to any question is voluminous, please make available all of the voluminous material at a designated location in Austin. Please provide a detailed index for the voluminous material with your response to the question to enable efficient review of the material. The index should include information sufficient to locate each individual document by page, file, and box number, date of each document, title of each document, description of each document if no document title exists, name of the preparer of each document, and length of each document.
14. If the requested information is included in previously furnished exhibits, workpapers, or responses to other discovery inquiries or otherwise, in hard copy or electronic format,

please furnish specific references thereto, including Bates Stamp page citations and detailed cross-references to the previously furnished information.

15. If a question requests the production of copyrighted material, you may provide a list of such material, including the title, publisher, author, edition, and page references relied on or otherwise relevant to the question.

Claim of Privilege

If any document is withheld under any claim of privilege, please provide a list that identifies each document for which a privilege is being claimed, including the date, sender, recipient(s) of the privileged document, recipient(s) of copies of the privileged document, subject matter of the privileged document, and the basis upon which a privilege is being claimed by the Company.

SOAH Docket No. 473-19-6862
PUC Docket No. 49737
OPUC's Second Request for Information to
Southwestern Electric Power Company

- 2-1. Refer to the direct testimony of Karl Bletzacker at page 6. Please provide the results of the fundamentals forecast using 10-year normal heating and cooling degree days rather than 30-year normal degree days.
- 2-2. Refer to the direct testimony of Karl Bletzacker at page 7. Please explain the basis for Mr. Bletzacker's assertion that NYMEX futures contract prices are not a reliable forecast of long-term energy market prices because the total number of futures contracts held by market participants is extremely low beyond two years.
- 2-3. Refer to the direct testimony of Karl Bletzacker at page 7. Please explain the basis for Mr. Bletzacker's assertion that if any attempt is made to purchase natural gas futures contracts beyond two years, the increased demand would likely increase prices.
- 2-4. Refer to the direct testimony of Karl Bletzacker at page 7. Please explain the basis for Mr. Bletzacker's assertion that the NYMEX natural gas futures contract is not liquid beyond two years. Does he believe that parties cannot enter into a futures contract beyond two years? If so, please explain why.
- 2-5. Refer to the direct testimony of Karl Bletzacker at page 7. Please explain Mr. Bletzacker's understanding of how monthly NYMEX futures prices are established beyond two years.
- 2-6. Refer to the direct testimony of Karl Bletzacker at page 7. Please provide the 30-plus year forecasts of each input variable to the Aurora energy market simulation model that develops the Company's gas price forecasts.
- 2-7. Refer to the direct testimony of Karl Bletzacker at page 11. Please provide the International Energy Agency's 2018 and 2019 Current Policies natural gas price forecasts if available.
- 2-8. Refer to the direct testimony of Akarsh Sheilendranath at page 7. Please provide the calculations that support his statement that marginal loss costs mathematically amount to twice the average loss costs.
- 2-9. Refer to the direct testimony of Akarsh Sheilendranath at page 10. Please explain the basis for assuming that estimated congestion and loss-related costs in 2021-2023 will increase by the implied year-over-year growth rates in the Company's fundamental price forecasts.
- 2-10. Refer to the direct testimony of Johannes Pfeifenberger at page 8. Please provide the ABB-developed natural gas price forecasts used in the SPP PROMOD simulations, with all supporting workpapers. Are the ABB-developed forecasts the same as the SPP 2019 Integrated Transmission Planning natural gas price forecast reflected on Figure 4 of Mr. Bletzacker's direct testimony? If the forecasts are not the same, please explain why SPP is using different forecasts.

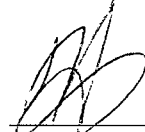
SOAH Docket No. 473-19-6862
PUC Docket No. 49737
OPUC's Second Request for Information to
Southwestern Electric Power Company

- 2-11.** Refer to the direct testimony of Johannes Pfeifenberger at page 26, Table 3. Please provide the results in the format used in Table 3 if congestion costs and gen-tie costs were weighted 25% / 75% (the opposite of Criterion 5).
- 2-12.** Refer to the direct testimony of Johannes Pfeifenberger at page 36. Please explain if the relative project rankings would have been affected if the congestion hedges were considered in the congestion cost and risk analysis during the RFP bid evaluation. If so, explain how.

September 23, 2019

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served on all parties of record in this proceeding on this 23rd day of September 2019, by facsimile, electronic mail, and/or first class, U.S. Mail.



Harley Martin

